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## LBO Moves Could Hurt REIT Tax Advantage

### *Bush Floats Balloon To Congress to Cut Tax on Corporate Payout*

President Bush's Treasury secretary, Nick Brady, suggests that Congress might exempt some part of corporate dividends from Federal taxes as a way to discourage leveraged buyout (LBO) financing. SEC Chrm. Ruder seconded the idea, saying it would improve corporate competitiveness.

This is so much fresh ammunition to influential members of Congress who have their long rifles out to shoot down free-wheeling LBO financing.

Trouble is, REITs might be the innocent bystanders who get clipped by the ricocheting bullets. In the background, tho, is a second idea which could help REITs a lot.

All this talk packs tremendous potential market wallop, since cries to clampdown on LBO financing evoked part of the panic that brought us the October 1987 stock market crash.

At stake is the continued tax deductibility of interest on corporate debt. Right now debt interest payments are deductible to the paying company, while dividend payments to equity investors are paid from after-tax income. When LBO artists borrow \$20 bil. or so to buy an RJR Nabisco, the Federal Treasury foots part of the bill because interest on the huge new debt becomes tax deductible.

### Correction

In the last issue of RSR we accused Prime Motor Inns L.P. of not bothering to file required SEC documents on time. We have since discovered we were misadvised by a company secretary and want to apologize to management. We'll review PMP in a future issue.

Brady suggested that Congress might consider putting limits on corporate interest deductions while making part of dividends tax deductible. This would end the double taxation of dividends and theoretically put debt and equity capital on an even footing.

Just before taking office, President Bush seemed to go out of his way to suggest that his Administration will seek to clarify what is equity and what is debt as one approach to LBO financing.

We don't know where all this will lead but clearly there's a big push in Washington, in both Congress and the Administration, to put some real limits on the tax deductibility of interest on junk bonds, which have been used almost universally in takeovers and LBOs.

REITs and public real estate companies have two major stakes in the outcome:

1. REITs: Under present law, REITs have the major advantage of being exempt from Federal income taxes to the extent they distribute 95% of taxable income to shareholders. Only mutual funds enjoy

this same status.

But if industrial corporations and utilities get even a partial exemption from Federal taxes on their dividends, the investment world could turn upside down. For instance, utilities now yield about an average 8.1% return, vs. 6%-8% for most seasoned equity REITs. If utilities enjoyed the same exemption as REITs, it's possible their market yield could go to 10%-11% — or their stock prices rise 20%-30%.

2. All property owners: The danger is that once Congress starts tinkering with the deductibility of interest, they could upset present deductibility of interest on secured mortgage debt, both for homeowners and commercial property owners. Homeowners have one of the most powerful lobbying voices around, so no atom bomb is expected. But commercial mortgage interest might not enjoy the same sort of political support.

Moreover, once tax-writers start delving into questions of where to draw the line between debt and equity, there's always the possibility that definitions for profit-

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# Portfolio Selector List of Realty Stocks for Current Investment

We list below stocks we believe are currently usable in your portfolio. They are grouped into six major categories reflecting broad investment goals, so you can match property and regional characteristics to your specific needs. Purchases (or sales) should be made at or below prices listed in the "Limit" column at right. Stocks currently selling above our suggested limits are marked with an "\*" and

should be bought only on declines. Most builder/developers, for instance, are below target prices, indicating caution.

Selector also lists REALTY STOCK REVIEW's exclusive Ranking of each stock; the major property type in its portfolio or business; and geographic area in which it operates. We continue to have a bias toward seasoned shopping center

REITs in the Northeast and Southeast.

Fine Homes Int'l. is added to Selector as per our Jan. 13 review. Advices are confirmed for EQK Green Acres, Equit. Real Est., Shopco Laurel, Interstate General, and National Rlty. Keystone has announced plans to buy shares of Travelers Rlty. Income and Travelers REIT at \$11.40 and \$8.50 respectively. We advise tendering.

Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	Current Advice/Limit	Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	Current Advice/Limit
<b>SEASONED EQUITY REITS: INCOME PROPERTY OWNERSHIP</b>									
Stable Income & Asset Growth									
Bradley Rl.(7/8/8)	A	SC	MW	Buy to 14	Koger Prop.(11/25/8)	A	OFF	SE	Buy to 28
BRE Props.(7/8/8)	A	APT/SC	CA/WA	Buy to 31	Perini Inv.(11/18/8)	B	OFF/IND	NAT	Buy to 17
Burnham Pac.(10/14/8)	B	SC/OFF	CA	Buy to 20	Rouse Co.(6/10/8)	A	SC/LAND	Nat	Buy to 25#
Chicago Dock(7/8/8)	B	LAND	IL	Hold/Buy to 22#	*Shopco Lau.LP(1/13/9)	NR	SC	MD	Buy to 10
Cousins Prop.(7/8/8)	A	LAND/OFF	GA	Hold/Buy to 15.25	<b>FINANCIAL SERVICES/MORTGAGE BANKING</b>				
Dial REIT (9/23/8)	NR	SC	MW	Buy to 18	Variable Yield, Rate Risk & Price Volatility				
Duke Rlty.(10/28/8)	B	OF/IND/SC	IN/OH	Buy to 6.50	Ameribanc Inv.(9/23/8)	B	S&L/MTG	VA	Buy to 12
Federal Rl.(10/14/8)	A	SC	NE	Buy to 22	Lomas Fincl.(5/13/8)	B	MTG/DIV	NAT	Hold/Buy to 12.25#
First Union (10/14/8)	A	SC/OFF	NAT	Buy to 20	Unicorp Amer.(7/10/7)	B	S&L/OFF	NAT	Hold/buy to 7
HRE Props.(10/14/8)	A	SC/OFF	NAT	Buy to 23	<b>AGGRESSIVE RECOVERY/TAKEOVERS/LIQUIDATIONS</b>				
IRT Prop.(10/14/8)	A	SC	SE	Hold/Buy to 18	Speculative yield, Uncertain Outcome, High Price Volatility				
Int'l.Income (10/14/8)	A	SC	NAT	Hold/Buy to 13#	BB Rl.Est.(12/23/8)	NR	OFF/SC	CA/AZ	Hold (z)
MGI Props.(7/8/8)	A	APT/OFF	SE/MW	Buy to 18	CleveTrust(8/12/8)	C	OFF/SC	SW	Hold/buy to 5
New Plan Rlty(10/14/8)	A	SC	NE	Hold/Buy to 15#	Fairfield Comm.(6/10/8)	C	LAND	SE/SW	Buy to 7
Penn. REIT (7/8/8)	A	SC/APT	NE	Buy to 23	HMG/Courtland(10/28/8)	C	OFF/LAND	SE/SW	Buy to 14
Prop.Tr.Am.(7/8/8)	A	SC/APT	TX/CO	Buy to 10	Hlth.CareREIT(12/9/8)	B	MED	MW	Buy to 12
REIT of Cal.(3/11/8)	A	SC/OFF	CA	Buy to 16#	Hotel Inv.(12/23/8)	C	HOT	NAT	Buy to 10
Santa Anita(10/14/8)	A	SC/RACE	CA	Hold/Buy to 31#	MONY Real Est.(5/13/8)	B	IND/SC	NAT	Buy to 8.50/Liq.
Sizeler Inv.(7/8/8)	B	SC	LA	Buy to 15	Nat. Rl.LP(11/13/8)	NR	APT/SC	NAT	Buy to 2
Utd.Dom.(10/14/8)	A	APT	VA/NC	Buy to 18.50	SW Rlty.(12/9/8 & 1/27/9)	D	APT	TX	Buy preferreds
Washington REIT(10/14/8)	A	OFF/APT	DC	Hold/Buy to 17.50#	Travel.REIT(9/9&1/27/8)	C	HOT/OFF	NAT	Tender
Weingarten Rl.(10/14/8)	A	SC	TX	Buy to 27#	Travel.Rl.Inc.(9/9&1/27/8)	C	HOT/OFF	NAT	Tender
Western Inv.RE(10/14/8)	A	SC	CA	Buy to 18	U.S.Home(4/10/87)	C	HSG	NAT	Hold/buy to 2.50
					Wells Far.Ml(5/13&6/24/8)	C	IND/OFF	SW/W	Hold/may liquid.
<b>REITS: FIXED &amp; PARTICIPATING MORTGAGES/LEASEBACKS</b>					<b>HOMEBUILDERS/INCOME PROP. DEVELOPERS/LAND DEVELOPERS</b>				
Higher Income, Lower Growth, plus Interest Risk					Development/Money Market Risks, Price Volatility				
BRT Realty (5/13/8)	B	APT	NE	Hold/buy to 18#	Amrep Corp.(11/18/8)	C	LAND	NM	Buy to 10
Copley Prop.(12/9/8)	B	IND	W	Buy to 18	Fine Homes (1/13/9)	C	HSG	NAT	Buy to 16
Eastgroup Pr.(12/9/8)	B	OFF/SC	NAT	Buy to 23	Genl. Dev.(6/10&7/22/8)	C	LAND/HSG	FL	Hold/buy to 12#
Health CarePr.(12/9/8)	A	MED	NAT	Buy to 27	Hovnanian Ent.(6/10/8)	B	HSG	NJ/FL	Hold/buy to 5#
ICM Prop.(12/23/8)	B	OFF	NAT	Buy to 10	*Inter.Genl.LP(1/13/9)	B	LAND/APT	MD/PR	Buy to 8
MSA Rlty.(7/8/8)	C	SC	MW	Buy to 9	K&B Home(6/10/8)	B	HSG/CMCL	CA/FR	Hold/buy to 12#
Meditrust(12/9/8)	B	MED	NAT	Hold	Leisure Tech.(6/10/8)	C	RET HSG	CA/NJ	Hold/buy to 3#
Mellon PMT(5/13&10/28/8)	C	SC	NAT	Buy to 8	Lennar Corp.(6/10/8)	A	HSG	FL	Buy to 19
Mtg.&Rlty.(9/9&10/28/8)	B	DIV	NAT	Buy to 20	Major Rlty.(11/18&25/8)	C	LAND/CMCL	FL	Hold/buy to 10#
Mtg.Inv.Plus(12/23/8)	B	OFF	CA	Buy to 8	Newhall Land(11/18/8)	A	LAND	CA	Sell//buy to 38#
Presidential Rl.(10/24/6)	B	APT	NE	Hold/buy to 12#	Oriole Home(3/27/7)	C	HSG	FL	Hold/buy to 8#
Rock.Ctr.Prop.(12/23/8)	B	OFF	NY	Buy to 21	Ryland (11/18/8)	A	HSG	NAT	Hold/buy to 16#
Univ.Hlth.Rl.(12/9/8)	A	MED	NAT	Hold/Buy to 11#	Std.Pacific LP(11/18/8)	A	HSG	CA	Buy to 12#
<b>INVESTMENT BUILDERS/INCOME PROPERTY OWNERS/MLPS</b>					<b>Property types: APT=Apartment; CMCL=Commercial; DIV=Diversified; HOT=Hotel/lodging; HSG=Housing; IND=Industrial; LAND=Land Devel.; MTG=Mortgage; OFF=Office; RACE=Race track; RET HSG=Retirement housing; SC=Shopping Center; S&amp;L=Savings &amp; loan.</b>				
Faster Growth, Development Risks Plus Higher Price Volatility					<b>Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NAT=National.</b>				
*EQK Green Ac.LP(1/27/9)	B	SC	NY	Buy to 13	<b>States are Postal Service code.</b>				
*Equit.RE Sh.LP(1/13/9)	NR	SC	MI/MN	Buy to 10	<b>Buy limits are approx. maximum purchase prices at publication date.</b>				
Forest City(6/10/8)	B	SC/OFF	NAT	Buy to 42	<b>Additions or changes underlined; Review/comment dates in paren.</b>				
Gould LP (1/9/7)	B	OFF/APT	NE	Hold/Buy to 45#	<b>* Reviewed in Jan. Issues. # Stock selling above limit price.z=Audit Inv. involved in pending transaction</b>				

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## Trauma at American Realty

A management shake-up is underway at American Realty Trust (ARB-NYSE) in reaction to the assumption of control by former Southmark Corp. execs. Gene Phillips and William Friedman. ARB's own top officials, CEO Joseph Grosz and executive VP Larry Ettner resigned following a dispute with the board of directors.

An Ettner/Grosz ally said the pair objected to Phillips and Friedman's planned expansion of ARB's board to nine members from five, which would allow the former SM execs to stack the board. The source also said Grosz proposed a board resolution that would limit the types of related-party transactions that made SM notorious.

Phillips dismissed the criticism saying that Grosz and Ettner have strongly supported a related-party transaction involving \$112 mil.

in loans bought from SM. "They're interested in limiting related party transactions they didn't like but allowing the ones they like," Phillips said. Expect more inside moves as Friedman and Phillips consolidate control of ARB. We expect the pair to buy the advisory contracts of the five Consolidated Capital REITs and eventually roll them into ARB.

## LBOs Cont. from P. 1

sharing (which is the classic mode of LBO debt) could also start changing the rules for participating, convertible, and profit-sharing mortgages. Since equity-participation mortgages are now widespread, any tax law change arising from an anti-LBO drive must be looked at very carefully by real estate owners.

**But realty stocks could get a powerful boost from any moves toward lower capital**

**gains rates.** President Bush repeatedly called for lower capital gains taxes during his successful election campaign, and he isn't backing off that idea now that he occupies the White House.

We are told that a lower capital gains rate based on an asset's holding period is gaining some support in Congress. But some talk that this should apply only to securities.

If that were to happen, the securitization of property and mortgage assets into publicly traded REITs, companies and mortgage pools would be given a powerful boost. Perhaps it would offset the negatives of reducing the double taxation of corporate dividends.

How much of this will happen? We can't predict but the fact that these two major items are on the Washington agenda clearly means that realty stock investors may have to shift gears once again before the year is out.

# CMO REIT Collapse Exposes Industry Flaws

The sudden run to Bankruptcy Court by Residential Resources Mortgage Investments Corp. (RRR-ASE) flags the potential dangers of these odd creatures called CMO REITs. We've recently been negative on CMO REITs both because of their volatility and their complexity. Most investors don't understand the stocks and we doubt many retail brokers pushing the issues do either. Hence, we suspect that these animals are unsuitably risky for many investors who have traditionally regarded REITs as stable, conservative plays.

It's apparent that volatility isn't the sole factor in RRR's demise. Three top execs resigned the day the REIT filed for Chapter XI and there is some unspecified problem with how bank loans were collateralized, signaling to us that something else is afoot. But problems caused by CMO portfolios at homebuilder PHM Corp., and Shearson Hutton's Boston Co. unit clearly show that RRR's problems aren't isolated.

The foundation of CMO REITs lies in mortgage pools. The REIT or an investment bank raises money to buy pools of mortgages and mortgage-backed securities by selling secured bonds: collateralized mortgage obligations or CMOs. RRR called these "structured financings." RRR owned \$602.5 mil of such mortgage assets pledged against \$600 mil. of CMO debt. What the REIT then owns is the CMO residual: the spread between the income

from the mortgages and the interest cost on the bonds. When you buy a share in a CMO REIT, you tap that residual income stream.

The biggest factor in RRR's collapse is short-term leverage. RRR borrowed heavily to buy residuals after the mortgages and CMO bonds were matched by brokerage houses. RRR's \$159.6 mil. in "mortgage interests" were backed by mortgages worth \$2.9 bil. Those mortgages were carried off the balance sheet. RRR also bought the rights to receive principal-only payments on still another group of mortgages it didn't own. Since principal payments generally run 1-2% of a new mortgage pool, this amounted to a super zero-coupon bond.

The short-term debt was pegged to short-term interest indices. But interest on mortgages rises more slowly, only once or twice a year. So cash flow or float can be squeezed dramatically when debt costs rise. Worse, RRR was pinched by a more inverted yield curve. With interest expense rising right now but interest income flat, the residual income shrinks.

But the extent to which a CMO REIT uses bank credit lines to buy new residuals and fund operations is one key number for investors to watch. High short-term leverage could be dangerous. RRR's short-term debt exceeded 2.6 times equity. (Long-term leverage is a poor signal of potential problems since residuals are leveraged

vehicles by design.) A sampling of CMO REITs' leverage:

Short-term debt to equity at Sept. 30	
Residential Resources .....	2.6
American Southwest .....	1.23
Asset Investors	
(formerly MDC Asset Investors) .....	0.36a
RYMAC Mortgage .....	0.33
Emerald Mortgage .....	0.27
Countrywide Mortgage .....	0.08
TIS Mortgage Investment .....	0.0a
a-At Jan.24	

If you're concerned about short-term leverage, American Southwest Mortgage (ASR-ASE) is clearly a CMO REIT to watch out for. Although not as extreme as RRR's, ASR's leverage is substantially higher than that of other CMO REITs. We'd steer clear.

TIS Mortgage Investments (TIS-NYSE) is the most conservative of all these CMO REITs with no short-term debt at all. Countrywide Mortgage Investments Inc.'s (CWM-NYSE) leverage on the table is deceptively low, accounting only for S-T debt against its CMO residuals. For the last 18 months CWM has been investing only in straight fixed- and adjustable-rate mortgage securities. But CWM has financed its straight security purchases with repurchase agreements. If that debt is included, short-term leverage jumps to 3.1 times equity. We're not as worried about the higher number because of the nature of

**Cont. on P. 4**



## Three REITs Added To RSR Listings

We're adding three REITs to RSR statistics with this issue. We reviewed **Resorts Income Investors Inc.** (ASE: RII), Oct. 28 did not pick it up statistically. The remaining pair are:

**American Southwest Mortgage Investments Corp.** (ASR: ASE) came public by raising \$64.8 mil. in Aug. 1987 at \$10.00 per share, and subsequently raised another \$72 mil. in a March 1988 offer at \$11.25. This gives ASR \$140.8 mil. equity, or \$9.83/sh. book value, on 14.37 mil. shares outstanding.

Tucson-based ASR unfortunately has taken the brunt of investor concerns following the bankruptcy filing of Residential Resources (see p. 3) because (a) both RRR and ASR are based in Arizona and (b) ASR's short-term debt is

1.23 times equity, second highest ratio among CMO REITs we have checked. About 62% of ASR's debt is under a revolving credit line, with no margin requirements; RRR operated mostly with reverse repurchases, which exposed it to margin calls.

ASR cut its monthly payout 42% in Jan., to \$0.07 monthly (\$0.84 annual rate) from a \$1.44 rate previously. EPS were squeezed by rising interest rates on short-term debt in the Sept. qtr. and appear under pressure for the Dec. qtr. as well. Shares now stand at \$6-1/2. We are not Ranking shares until an earnings history becomes clear. **Address:** 1010 N. Finance Ctr. Dr., Tucson, AZ 85710. (602) 790-5847.

**Monmouth Real Estate Investment Trust (MNRTS: OTC)**, an established combination

whose shares have uniformly dropped sharply since the going public?

Second, insiders expect the secondary market for CMO residuals to crash because of anxiety among federal regulators. Lew Raneri, the god of mortgage-backed securities and a director of Asset Investors Corp., largely blames poorly managed residual portfolios collapse of two thrifts including Colorado's Silverado Savings taken over by the Feds and sold at year-end. He expects more to follow.

As a result, Raneri expects Federal regulators to force S&Ls to get out of CMO residuals. Raneri fears that reducing the number of buyers at the same time thrifts begin dumping their portfolios will cause the market value of residuals to plunge. If lenders begin basing loans on current market values rather than the present value of cash flows, CMO REITs' ability to borrow against could be sharply constrained.

Two counter-arguments: If resale prices tank well-capitalized CMO REITs could pick up a lot of residuals at bargain prices. Further, declining interest rates would turn sagging CMO REITs around. Currently priced for double-digit dividend yields, investors now buying CMO REIT shares for the long term could see their returns soar. We recommend staying away certainly until rates soften, which we don't expect before fall 1989.

In the wake of the RRR debacle, we now see two serious hazards facing CMO REIT investors. First, the sharp decline in CMO REITs' stocks has all but killed the ability to raise money through secondary offerings. How excited will investors be over newly-issued stock in a group of REITs

REIT based in southern N.J., has grown steadily in market value as a new mortgage lending program has boosted dividends. Formed in 1969, MNRTS for years operated as a smaller equity REIT investing mainly in N.J. In 1986 it began making mortgages, secured by mobile home parks owned by an affiliate, United Mobile Homes, Inc., and has since tripled dividends to \$0.60 yearly.

Invested assets of \$12.1 mil. at the Sept. 1988 year-end were 67% mortgage loans and 33% net properties. Mortgages of \$8.1 mil. generally float at 3% over the prime rate; MNRTS has borrowed \$6.1 mil. to support these loans generally at 1% over prime, locking in a 2% spread for use of its credit. Properties are 83% industrial and 17% retail/shopping center. We are ranking shares B. **Address:** 125 Wyckoff Rd., Box 335, Eatontown, NJ 07724. (201) 542-4927.

## APPRAISED ASSET VALUE COMPARISONS

QUALIFIED REITS	DATE	APPRAISED % PRICE	
		VALUE/ SHARE	TO APP. VALUE
BRE PROPERTIES #	7/88	\$35.50	-14.1%
CEDAR INC FUND I#	12/87	\$ 8.92	-24.3%
COPELY PROPS #	12/87	\$22.88	-24.1%
DUKE RLTY INVST #	11/88	\$ 8.70	-32.5%
EOK RLTY INV I #	12/87	\$18.10	-37.2%
GRUB&ELLS REIT	12/87	\$ 9.07	-29.7%
INTL INCOME PR#	12/87	\$18.26	-28.1%
MSA REALTY CORP	12/87	\$10.20	-21.6%
NEW PLAN RLY TR#	7/88	\$16.27	-2.4%
PRU RL CAPITAL #	12/87	\$ 2.31	-45.9%
SANTA ANITA	6/87	\$26.46	24.7%
SIERA CAP RLY IV#	12/87	\$ 7.88	-27.0%
SIERRA RE EQ83#	12/87	\$10.11	-28.3%
SIERRA RE EQ84#	12/87	\$ 8.40	-34.5%
TRAML CROW REI#	12/87	\$13.11	-40.9%
TRAVELERS RLY INC	6/88	\$11.65	-3.4%
USP RL EST INV#	12/87	\$11.73	-33.9%
<b>AVERAGE</b>			<b>-23.7%</b>
<b>OPERATING COMPANIES</b>			
BAY FINCL CORP	5/88	\$26.02	-58.2%
CENTENNIAL GROUP	12/86	\$ 7.71	-57.8%
EOK GRN ACRES LP#	12/87	\$13.31	-5.1%
FORUM RET PFD UN#	12/87	\$10.89	-46.1%
MAJOR REALTY	9/87	\$22.00	-50.0%
MONY RL EST INV	5/88	\$10.34a	-22.6%
NEWHALL LAND	12/87	\$37.72	42.5%
PERINI INV PR#	9/88	\$22.31	-28.3%
ROUSE CO#	12/87	\$27.13	-6.0%
SOUTHWEST RLTY#	12/87	\$ 7.72	-90.3%
<b>AVERAGE</b>			<b>-32.2%</b>

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.



## Declarations Stall

Dividend declarations by REITs turned negative in the latest month, with mortgage trusts leading the payout trims. Our tally shows five decliners, vs. two increases and three special dividends. All other declarations were unchanged.

### DIVIDEND INCREASES

	New Div.	% Chng.
Health Care Pr. ....	\$2.76	+ 1.8%
HealthVest .....	\$2.64	+1.5

### DIVIDEND CUTS

Grubb & E.I. RI. ....	\$0.64	-11.1%
Lincoln N.C. RI. ....	1.40	- 5.4
Mellon Part.Mtg. ....	0.834	-11.0
RAC Mtg. Inv. ....	1.08	-18.2
Sierra Cap.VI .....	0.227	-54.6
Sierra Cap.VI pfd .....	0.264	-54.7

### SPECIAL PAYOUTS

Amer. Realty .....	\$0.03	NM
Cousins Prop. ....	0.25	NM
HMG/Courtland .....	1.00	NM

**HealthVest** has sparked a flurry of telephone calls, because its stock keeps falling even as it boosts payout. In the past three months, shares have fallen from the 20-21 range to 16-1/4 now.

HVT's problem is that sponsor and adviser Healthcare International (HII: ASE) has run into a financial firestorm, losing \$18.2 mil. or \$2.17/sh. in the Dec. qtr. HII took pretax charges of \$8.9 mil. relating to a new commercial paper issue backed by accounts receivable, and \$2.8 mil. for abandonment of developments and other redirection of operations. HII's deteriorating finances have poisoned HVT's stock because leaseback REITs trade partly on creditworthiness of sponsors and main lessors (see RSR, Dec. 9).

We rate HVT as a strong hold. We don't think HII will go broke but neither do we look for a rapid recovery. In those circumstances the 16% yield should compensate for the risk here.

**Mellon Participating Mortgage Trust** paid \$0.124 as its final 1988 cleanup dividend, bringing full-year payout to \$0.834, down 11% from \$0.937. We expect 1989 to be about level with 1988; MPMTS is scheduled for review in Feb.

## EQK GREEN ACRES L.P.

EGA owns the 1.38 mil. sq. ft. Green Acres Mall on Sunrise Hwy. in Valley Stream and Hempstead, L.I. about one mile from the New York City line. Green Acres was acquired for \$136.8 mil.: \$44 mil. zero coupon debt; \$86.1 mil. equity from a \$10/unit, Aug. 1986 initial public offering; and \$6.7 mil. cash and stock (taken by original partner, Kravco, which still manages the mall). Unitholders voted on in Nov. to extend the holding period of EGA until Feb. 28, 2000, to enjoy the benefits of an expansion of the mall.

**Gut Issue: Can EGA continue to boost CFS and payout?** Retail sales, rents and distributions by EGA have all far exceeded expectations and projections made in its offering prospectus. This has so far made original shareholders the big winners among MLPs since units are about 26% over the offering price. Big reason: EGA has boosted payout seven straight quarters now to \$1.22 annual rate. EGA's original growth projections were based on a flattening sales curve, but instead sales have risen more rapidly than projected. Same-store sales gained 5.2% thru Sept. and cash flow jumped 11% ahead of EGA's most aggressive 1986 projections.

The increasing likelihood of recession in late 1989 could affect sales and dampen cash flow and payout growth, but the mall has had two fat years of substantial appreciation, giving EGA a cushion.

Even the EGA stock is up, confusion over MLP tax status and lumping of EGA with a group of very mediocre comparable MLP offers has hurt EGA. EGA says its stock trades within 10% of value.

This demonstrates investor confidence in EGA's value appraisals.

But we think those appraisals may understate EGA's true value. EGA's 1987 annual, year-end independent appraisal of Green Acres Mall placed its value at \$200.6 mil and net liquidating value at \$13.31/un. after paying off the zero-coupon debt and sale costs. The appraisals valued EGA's net cash flow at a 7% capitalization rate. With net cash flow having increased over 10% in 1988, we estimate EGA's 1988 value will wind up at about \$14.50/un., again based on a 7% cap rate. But many malls change hands today at 5-5.5%, so we feel that the true value may be closer to \$19/unit.

Now fully leased, Green Acres is anchored by Sears, which owns its building subject to a ground lease; Stern's and Abraham & Straus (both controlled by Campeau Corp.) and J.C. Penney. Penney's space is up for renewal in 1992, but other anchors aren't due in this century. Approx. 200 tenants occupy 622,700 SF mall and outparcel space. About 71% of space is national or regional tenants. Relatively few leases roll over in 1989.

**Advice: Buy.** There is more than enough value to cover the zero notes. All but \$0.02-\$0.03 of distributions is tax sheltered return of capital.

EGA-NYSE RANK B Dec. years 10.17 mil. un.						
Price: \$12.63 Div. \$1.22 Yld. 9.7%						
Year	Op.	EPUCFU	Div.	High	Low	Yield
1986	\$0.088	\$0.342	\$0.325	\$11.25	\$9.75	3-3
1987	0.352	1.118	1.0675	11.75	7.50	9-14
1988E	0.40	1.22	1.18	13.50	10.50	9-11
1989E	0.44	1.25	1.25	13.13	12.25	
Debt: \$54.5 Equity: \$79.8 mil. \$7.84/unit Debt/Equity: 0.68						
3 Bala Plaza E., Bala Cynwyd, PA 19004. (215) 667-2300.						

## Southwest Realty Preferred Fetches \$4 mil.

Financially strapped **Southwest Realty L.P.**, owner of 3,441 Texas apartments, raised \$4.0 mil. (\$3.2 mil. cash) by selling 274,323 shs. of 12% preferred in a rights offer. About \$800,000 came via tender of a prior note held by general partners, yielding \$3.2 mil. net cash. The preferred shares will list on the Pacific Stock Exch. and are convertible into SWL units at \$1.50 (or 2.74 mil. new shares).

Each pref also carries five warrants or warrants for 1.37 mil. shs. exercisable at \$1.25/unit. In addition, SWL issued 667,000 wts. to **BRT Realty Trust** as part of consideration for BRT making a \$2 mil., 18% (12% payable in cash, 6% accruing) second mortgage on one SWL property. If all pref and wts. converted into common, the 4.78 mil. new shs. would represent 58% of SWL's 8.22 mil. shs. then outstanding.



RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM-- DEC 21 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$		
B	AMER HEALTH PROP# (12/09/88)	NY-AHE	2	11098	18.69	2.12	SEP	2.09	18.38	1.4	2.8	8.8	11.5	-1.7	11.2	203.9
*	AMER SW MTG INVMT (01/27/89)	AS-ASR	4	14326	9.83	0.84	D SEP	0.81	6.50X	-17.7	-21.2	8.0	12.9	-33.9	8.2	93.1
C	AMERICAN REALTY (05/13/88)	NY-ARB	4	21728	6.58	0.63	SEP	1.86	4.50X	17.0	0.0	2.4	14.0	-31.6	28.3	97.8
B	ANGELL REAL EST# (12/09/88)	NY-ACR	2	3622	13.68	1.52	SEP	1.72	9.38X	11.5	15.4	5.5	16.2	-31.5	12.6	34.0
C	ASSET INVESTORS (09/09/88)	NY-AIC	4	13892	15.10	2.04	SEP	2.87	11.88X	12.0	5.6	4.1	17.2	-21.4	19.0	165.0
*	B-B KL EST INV # (12/23/88)	AS-BBR	1	6412	6.54	0.26	SEP	0.26	3.25	-10.3	-7.1	12.5	8.0	-50.3	4.0	20.8
C	BEVERLY INV PROP# (12/09/88)	NY-BIP	2	8195	19.77	1.60	SEP	2.32	12.88	14.4	9.6	5.5	12.4	-34.9	11.7	105.5
*	BODDIE-NOLL PROP# (05/22/87)	AS-BNP	2	2850	11.45	1.36	S SEP	1.38	13.00X	2.6	-1.9	9.4	10.5	13.5	12.1	37.1
A	BRADLEY RL EST (07/08/88)	OC-BRLYS	1	3360	2.68	0.68	AUG	1.39	12.88	-2.8	-4.6	9.3	5.3	380.4	51.9	43.3
A	BRE PROPERTIES # (07/08/88)	NY-BRE	1	7873	19.56\$	2.40	OCT	2.37	30.50	0.0	-0.8	12.9	7.9	55.9	12.1	240.1
B	BRT REALTY (05/13/88)	NY-BRT	4	7280	14.46	2.48	SEP	2.53	18.88	0.7	0.7	7.5	13.1	30.5	17.5	137.4
B	BURNHAM PAC PROP# (10/14/88)	AS-BPP	1	4149	13.04	1.32	SEP	1.22	18.63	-0.7	-0.7	15.3	7.1	42.8	9.4	77.3
B	P-CALIF JOCKEY CLUB (08/12/88)	AS-CJ	1	5773	4.34	1.00	SEP	0.87	18.00	20.0	14.3	20.7	5.6	314.7	20.0	103.9
Z	CALIFORNIA REI (03/11/88)	NY-CT	1	4965	6.93	0.40	SEP	-0.15	4.50	-23.4	-21.7	0.0	8.9	-35.1	-2.2	22.3
*	F-CEDAR INC FUND I# (01/09/87)	OC-CEDR	1	1440	8.70\$	0.64	SEP	0.47	6.75	0.0	0.0	14.4	9.5	-22.4	5.4	9.7
*	CENTRAL REALTY (01/09/87)	OC-CHRT	3	2147	0.16	0.04	SEP	-0.26	0.19	-24.8	0.0	0.0	0.0	17.5	-162.5	0.4
B	CENVILL INVSTR (05/13/88)	NY-CVI	3	6883	12.97	2.00	SEP	2.19	15.50X	0.8	-0.8	7.1	12.9	19.5	16.9	106.7
B	CHICAGO DOCK&CANL (07/08/88)	OC-DOCKS	1	5784	6.42	0.24	S OCT	-0.05	D 25.50	2.0	3.0	0.0	0.9	297.2	-0.8	147.5
C	CLEVESTRUST RLY# (08/12/88)	OC-CTRS	1	1971	17.89	0.00	SEP	0.16	D 6.00	20.0	29.7	37.5	0.0	-66.5	0.9	11.8
C	COLUMBIA RE INVST (09/09/88)	AS-CIV	4	5856	9.20	0.88	SEP	0.91	6.75	1.9	1.9	7.4	13.0	-26.6	9.9	39.5
B	COPLY PROPS # (12/09/88)	AS-COP	3	4008	17.25\$	1.68	SEP	1.70	U 17.38X	2.4	0.0	10.2	9.7	0.7	9.9	69.6
C	COUNTRYWIDE MTG (09/09/88)	NY-CWM	4	13245	8.96	0.80	SEP	0.91	5.63	7.1	4.7	6.2	14.2	-37.2	10.2	74.5
A	COUSINS PROPS (07/08/88)	OC-COVS	1	17347	6.51	0.85	SEP	0.63	14.75X	-6.3	-4.1	23.4	5.8	126.6	9.7	255.9
*	F-CRI INS MTG II (01/09/87)	NY-CII	4	8536	15.30	1.39	SEP	1.74	13.75	0.0	-0.9	7.9	10.1	-10.1	11.4	117.4
B	DEL-VAL FINCL (01/09/87)	NY-DVL	4	3910	10.72	1.80	SEP	1.79	16.50	-2.9	-0.8	9.2	10.9	53.9	16.7	64.5
*	DIAL REIT INC # (10/28/88)	OC-DEAL	1	3822	18.09	1.64	S SEP	1.67	17.75X	5.3	0.0	10.6	9.2	-1.9	9.2	67.8
B	DUKE RLYT INVST # (12/09/88)	NY-DRE	1	8594	7.09\$	0.68	SEP	0.62	5.88	6.8	4.4	9.5	11.6	-17.1	8.7	50.5
B	EASTGROUP PROPS (12/09/88)	AS-EGP	1	2538	19.75	2.60	SEP	4.39	22.13X	5.3	2.9	5.0	11.8	12.0	22.2	56.2
B	EASTOVER CORP (09/23/88)	OC-EASTS	3	1175	13.98	1.60	SEP	2.48	13.25X	1.1	-11.7	5.3	12.1	-5.2	17.7	15.6
*	EMERALD MTG INVST (09/23/88)	NY-EIC	4	8750	9.21	1.36	SEP	1.39	I 6.38X	-16.1	-19.0	4.6	21.3	-30.8	15.1	55.8
B	F-EQK RLYT INV I# (10/14/88)	NY-EKR	1	7589	14.22\$	1.66	SEP	1.63	D 11.38	5.8	5.8	7.0	14.6	-20.0	11.5	86.3
A	FEDERAL REALTY# (10/14/88)	NY-FRT	1	13751	10.01	1.32	SEP	1.44	21.13X	1.0	0.0	14.7	6.2	111.0	14.4	290.5
C	FIRST CONTNL REIT (10/14/88)	OC-FCRES	4	4103	3.25	0.00	AUG	-1.91	0.75	20.0	20.0	0.0	0.0	-76.9	-58.8	3.1
A	FIRST UNION RE# (10/14/88)	NY-FUR	1	18008	9.09	1.50	SEP	1.63	18.63X	4.1	2.1	11.4	8.1	104.9	17.9	335.4
*	GOLDEN CORRAL # (12/23/88)	OC-GCRA	2	1480	9.87	1.00	S SEP	1.12	D 8.25X	-8.1	0.0	7.4	12.1	-16.4	11.3	12.2
B	F-GRUB&LLS REIT (10/09/87)	OC-GRIT	5	2500	9.04\$	0.64	D DEC	0.66	D 6.38X	-4.9	0.0	9.7	10.0	-29.5	7.3	15.9
A	HEALTH CARE PR# (12/09/88)	NY-HCP	2	8165	21.94	2.76	U DEC	2.93	U 26.13	2.0	1.0	8.9	10.6	19.1	13.4	213.3
B	HEALTH CARE REIT (12/09/88)	AS-HCN	4	5903	12.08	1.52	S SEP	1.86	11.63X	10.4	-2.1	6.3	13.1	-3.8	15.4	68.6
B	HEALTHVEST # (12/09/88)	AS-HVT	2	11661	19.94	2.64	U SEP	2.66	16.25X	0.2	-7.1	6.1	16.2	-18.5	13.3	189.5
C	HLTH & REHAB PRP# (12/09/88)	NY-HRP	2	9998	8.79	1.12	S SEP	1.12	S 8.00X	0.4	-5.9	7.1	14.0	-9.0	12.7	80.0
C	HMG/COURTLND PROP (10/28/88)	AS-HMG	1	1212	22.60	1.60	SEP	8.07	U 11.75X	2.0	-6.0	1.5	13.6	-48.0	35.7	14.2
C	P-HOLLYWOOD PK RLY (08/12/88)	OC-HTRFZ	1	3956	4.90	0.00	SEP	-0.94	23.00	13.6	9.5	0.0	0.0	369.4	-19.2	91.0
C	P-HOTEL INVESTORS# (12/23/88)	NY-HOT	1	12129	16.30	1.00	SEP	0.65	D 9.13X	0.0	-1.4	14.0	11.0	-44.0	4.0	110.7
A	HRE PROPERTIES (10/14/88)	NY-HRE	1	5984	22.49	1.80	OCT	1.06	23.00X	7.8	7.0	21.7	7.8	2.3	4.7	137.6
B	ICH PROP INVSTR # (12/23/88)	NY-ICH	3	5619	14.53	1.36	S SEP	1.12	9.13	-1.4	-3.9	8.1	14.9	-37.2	7.7	51.3
*	INCOME OPP RLYT # (12/24/87)	AS-IOT	3	3692	16.52	0.60	SEP	0.40	D 7.75	0.0	-1.6	19.4	7.7	-53.1	2.4	28.6
A	INTL INCOME PR# (10/14/88)	AS-IIP	1	15539	9.25\$	1.08	SEP	0.81	13.13	-2.8	-0.6	16.2	8.2	41.9	8.8	203.9
*	INVG MTG SECS (10/14/88)	OC-INVG	4	682	30.69	1.40	SEP	-5.01	8.75	-7.9	2.9	0.0	16.0	-71.5	-16.3	6.0
A	IRT PROPERTY CO# (10/14/88)	NY-IRT	1	9663	11.25	1.40	SEP	1.81	17.75	-3.4	-4.1	9.8	7.9	57.8	16.1	171.5
F	JOHNSTN/CONS RLY# (09/09/88)	NY-JCT	3	12280	14.89	0.70	SEP	0.38	D 5.75	12.2	9.5	15.1	12.2	-61.4	2.6	70.6
*	KOGER EQUITY INC# (08/26/88)	AS-KE	1	10000	18.78	1.80	SEP	1.83	18.75	-2.6	0.0	10.2	9.6	-0.2	9.7	187.5
C	L&N HOUSING (05/13/88)	NY-LHC	5	2200	20.27	1.76	DEC	-1.07	D 15.63	7.8	6.8	0.0	11.3	-22.9	-5.3	34.4
C	LANDSING PACIFIC (05/13/88)	AS-LPF	1	6156	18.82	0.80	JUN	0.10	8.25	-7.0	-7.0	82.5	9.7	-56.2	0.5	50.8
*	LINCOLN MC RL FND (05/13/88)	AS-LRF	3	1998	13.32	1.40	D SEP	1.47	8.88X	2.5	-1.4	6.0	15.8	-33.4	11.0	17.7
F	LINPRO SECED PROP (10/09/87)	AS-LPO	1	1856	9.05	0.00	SEP	0.28	2.50	0.0	-4.8	8.9	0.0	-72.4	3.1	4.6
B	LOMAS & NET MTG (05/13/88)	NY-LOM	4	11704	22.89	2.50	SEP	2.54	19.00	2.7	5.6	7.5	13.2	-17.0	11.1	222.4
C	LOMAS MTG CORP (09/09/88)	NY-LMC	4	8700	20.34	2.28	SEP	2.50	17.25	7.8	4.5	6.9	13.2	-15.2	12.3	150.1
*	MEDICAL PROPS # (05/22/87)	AS-MFP	2	2369	11.68	1.20	SEP	1.31	S 7.88X	0.6	3.3	6.0	15.2	-32.6	11.2	18.7
B	MEDITRUST # (12/09/88)	NY-MT	2	15721	16.00	2.00	SEP	2.04	16.75X	3.8	-1.5	8.2	11.9	4.7	12.8	263.3
C	MELLON PART MTG (05/13/88)	OC-MPMTS	5	8645	9.16	0.83	SEP	0.81	7.38X	-0.0	-1.7	9.1	11.3	-19.5	8.8	63.8
B	MERRY LAND & INV (09/09/88)	OC-MERY	3	9605	6.48	0.80	DEC	0.90	D 7.00X	-7.1	-6.7	7.8	11.4	8.0	13.9	67.2
A	MGI PROPERTIES # (07/08/88)	NY-MGI	1	9425	17.65	1.60	NOV	2.00	17.63X	-0.6	0.0	8.8	9.1	-0.1	11.3	166.1
B	MONMOUTH REIT # (01/27/89)	OC-MNRTS	3	1573	4.41	0.70	SEP	0.52	5.75	0.0	-4.2	11.1	12.2	30.4	11.8	9.0
C	MSA REALTY CORP (07/08/88)	AS-MSRS	1	8614	8.12\$	1.00	SEP	0.50	8.00	6.7	1.6	16.0	12.5	-1.5	6.2	68.9
B	MTG & RLYT TRUST (09/09/88)	NY-MRT	3	10694	16.98	2.00	S DEC	1.94	S 17.63X	7.4	3.7	9.1	11.3	3.8	11.4	188.5
A	MTG INVSTMT PLUS# (12/23/88)	AS-MIP	3	9020	8.56	0.80	SEP	0.83	7.63	5.2	5.2	9.2	10.5	-10.9	9.7	68.8
A	NEW PLAN RLY TR# (10/14/88)	NY-NPR	1	26847	6.73\$	0.96	JUL	0.90	15.88X	1.5	0.0	17.6	6.0	135.9	13.4	426.2
*	F-NOONEY RLYT TR# (08/12/88)	OC-NRTI	1	867	16.62	0.32	SEP	0.19	D 8.75	-2.8	0.0	46.1	3.7	-47.4	1.1	7.6
B	ONE LIBERTY PR# (07/08/88)	AS-OLP	2	2203	14.10	1.40	SEP	1.30	D 14.63	4.5	2.6	11.3	9.6	3.7	9.2	32.2
A	PENN REIT# (07/08/88)	AS-PBI	1	8175	10.15	1.64	AUG	1.65	U 22.25X	6.1	-2.2	13.5	7.4	119.2	16.3	181.9
B	PITTS & WVA RR (07/08/88)	AS-PW	2	1510	6.06	0.56	SEP	0.56	S 6.00	0.0	-4.0	10.7	9.3	-1.0	9.2	9.1
B	PRESIDENTL RL-A# (03/11/88)	AS-PDLA	3	479	3.97	1.60	SEP	2.02	U 14.25	1.8	2.7	7.1	11.2	258.9	50.9	6.8
B	PRESIDENTL RL-B# (07/08/88)	AS-PDLB	3	2778	3.97	1.60	SEP	2.02	U 13.88	-0.9	-0.9	6.9	11.5	249.5	50.9	38.5
A	PROPERTY TR AMER# (07/08/88)	OC-PTAS	1	5062	10.49	0.80	SEP	0.88	D 9.88	1.3	1.3	11.2	8.1	-5.9	8.4	50.0
B	F-PRU RL CAPITAL # (07/08/88)	NY-PRT	1	11135	1.37\$	0.00	---	0.00	1.25	0.0	0.0	0.0	0.0	-8.8	0.0	13.9
B	F-PRU RL INCOME # (07/08/88)	NY-PRTPR	1	11135	8.00	0.68	SEP	0.68	U 6.50	2.0	4.0	9.6	10.5	-18.8	8.5	72.4
*	RAC MTG INVESTMT (09/23/88)	AS-RMR	4	14450	9.16	0.96	D SEP	1.71	6.88X	-16.9	-15.4	4.0	14.			



January 27, 1989

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* F-SIERA CAP RLY VI#	(06/26/87)	AS-SZF	1	3548	8.13	0.23 D	SEP 0.17 D	6.88X	-4.9	-6.8	40.4	3.3	-15.4	2.1	24.4
* F-SIERA CAP VI FTD	(06/26/87)	AS-SZFP	1	3811	8.13	0.26 D	---	0.00	7.75X	-13.6	0.0	3.4	-4.7	0.0	29.5
B F-SIERA RE EQ84#	(11/07/86)	OC-SEBS	1	3047	7.67\$	0.25 S	SEP 0.36 U	7.25X	17.0	16.0	20.1	3.4	-5.5	4.7	22.1
B F-SIERA RE EQ84#	(11/07/86)	OC-SETC	1	4887	7.57\$	0.10 S	SEP 1.07 U	5.50X	0.5	0.0	5.1	1.8	-27.3	14.1	26.9
B SIZERER PROP INV#	(07/08/88)	NY-SIZ	1	3734	18.78	1.56	SEP 1.51 D	15.00	7.1	1.7	9.9	10.4	-20.1	8.0	56.0
C STORAGE EQUITIES	(10/14/88)	NY-SBQ	1	10943	14.88	1.40	SEP 0.92	11.63	5.7	3.3	12.6	12.0	-21.9	6.2	127.2
* STRATEGIC MGT	(05/13/88)	NY-STM	4	5465	18.48	1.64	DEC 1.90 D	12.75	3.0	3.0	6.7	12.9	-31.0	10.3	69.7
* TIS MTG INVSTMT	(09/23/88)	NY-TIS	4	8100	8.96	1.28	SEP 1.01	7.75X	-9.2	-3.1	7.7	16.5	-13.5	11.3	62.8
C F-TRAML CROW REI#	(07/08/88)	NY-TCR	1	9075	11.17\$	1.26	SEP 1.33 D	7.75	6.9	6.9	5.8	16.3	-30.6	11.9	70.3
C F-TRAVELERS REIT	(09/09/88)	OC-TRATS	5	2523	8.89	0.68 S	SEP 0.09	8.25	17.9	24.5	91.7	8.2	-7.2	1.0	20.8
C F-TRAVELERS RLY INC	(09/09/88)	OC-TRIS	5	2132	11.96\$	0.64 S	SEP 0.09	11.25	15.4	12.5	125.0	5.7	-5.9	0.8	24.0
A UNIV HEALTH RLT#	(12/09/88)	NY-UHT	2	7150	13.87	1.40	DEC 1.55 U	12.13	4.3	2.1	7.8	11.5	-12.6	11.2	86.7
B USP KL EST INV#	(06/12/87)	AS-UKT	1	3880	8.27\$	1.00	SEP 1.83 D	7.75	5.1	-1.6	4.2	12.9	-6.3	22.1	30.1
A UTD DOMINR RLT#	(10/14/88)	OC-UDRT	1	8272	12.61	1.16	SEP 1.18 U	17.88X	0.2	-1.4	15.1	6.5	41.8	9.4	147.9
* F-VHS HOTEL INVSTMT		AS-VHT	5	9863	8.74	0.90	SEP 0.96	6.88X	7.2	5.8	7.2	13.1	-21.3	11.0	67.8
* VHS S/T INCOME		AS-VST	4	6918	9.14	1.23	SEP 1.19	7.75X	4.6	0.0	6.5	15.9	-15.2	13.0	53.6
* VHS STRATGIC LAND	(05/22/87)	OC-VLANS	5	11994	8.62	1.20	SEP 1.13	8.38X	8.4	13.6	7.4	14.3	-2.8	13.1	100.4
A WASH RE (WRIT)#	(10/14/88)	AS-WRE	1	13778	5.97	1.00	SEP 1.00	20.00	1.3	-4.8	20.0	5.0	235.0	16.8	275.6
* WEDGESTONE FINCL	(09/09/88)	NY-WDG	4	5795	8.05	0.00	SEP 0.32	2.88	0.0	4.5	9.0	0.0	-64.3	4.0	16.7
A WEINGARTEN RLT#	(10/14/88)	NY-WRI	1	13968	13.28	1.68	SEP 2.43 U	27.63	17.6	7.8	11.4	6.1	108.0	18.3	385.9
C WELLS FARGO M&E	(05/13/88)	NY-WFM	3	6719	15.98	1.50	SEP -1.75	17.25	4.5	0.7	0.0	8.7	7.9	-11.0	115.9
A WESTERN INV REF	(10/14/88)	AS-WIR	1	11969	13.23	1.30	SEP 1.34	17.25	-1.4	-2.8	12.9	7.5	30.4	10.1	206.5
COMPANIES AND BUSINESS TRUSTS															
C ABRAMS INDS INC		OC-ABRI	10	2234	7.50	0.24	OCT 0.56	5.50	-4.3	0.0	9.8	4.4	-26.7	7.5	12.3
* LP-AMER INS MTG 84		OC-AMAZ	9	10000	19.36	1.50	SEP 2.42	16.25	4.8	5.7	6.7	9.2	-16.1	12.5	162.5
B LP-AMER RE PARTNERS	(01/13/89)	NY-ACP	8	14736	17.47	2.00	SEP 0.76	15.38X	2.4	1.7	20.8	13.0	-12.0	4.2	226.6
* AMERICAN INV GP	(08/28/87)	OC-AINV	10	6146	9.50	0.22	SEP 1.26	11.25	5.9	0.0	8.9	2.0	18.4	13.3	69.1
* AMERICANA HOTEL	(04/08/88)	NY-AHR	L	4920	16.54	0.00	SEP 0.22	13.38	2.9	1.9	60.8	0.0	-19.1	1.3	65.8
C AMREP CORP	(11/18/88)	NY-ARR	7	6609	10.16	0.00	OCT 0.20	7.88	3.3	1.6	39.4	0.0	-22.5	2.0	52.0
C ANGELES CORP		AS-ANG	11	3375	5.49	0.00	SEP -1.39	5.75	-2.1	0.0	0.0	0.0	4.7	-25.3	19.4
* LP-ANGELES FINC PTRS		AS-ANF	9	1051	18.00	2.24	U SEP 1.80	15.50X	4.9	6.0	8.6	14.5	-13.9	10.0	16.3
C BAY FINCL CORP	(06/10/88)	NY-BAY	8	3906	7.86\$	0.00	SEP -7.66	10.88	-7.4	-6.5	0.0	0.0	38.4	-97.5	42.5
* LP-BURGER KING INV #	(01/13/89)	NY-BKP	8	4635	17.87	1.80	SEP 1.82	14.50	5.5	9.4	8.0	12.4	-18.9	10.7	67.2
C LP-CAL FED INC PTNR#	(01/13/89)	NY-CFI	8	12866	7.95	1.00 S	SEP 0.40 D	7.25X	17.6	9.4	18.1	13.8	-8.8	5.0	93.3
C CALPROP CORP	(11/21/86)	AS-CP	7	4184	8.60	0.00	SEP 0.96	7.25	1.8	-4.9	7.6	0.0	-15.7	11.2	30.3
C CALTON INC	(06/10/88)	NY-CN	7	24144	2.57	0.00	AUG 0.65	3.13	4.2	4.2	4.8	0.0	21.6	25.3	75.5
* CASTLE & COCKE		NY-CKE	10	59228	12.20	0.00	SEP 2.13	26.00	-4.6	-8.0	12.2	0.0	113.1	17.5	1539.9
* CENTENNIAL GROUP	(07/24/87)	AS-CEQ	10	26202	5.57\$	0.00	SEP 0.28	3.25	8.3	-3.7	11.6	0.0	-41.7	5.0	85.2
A CENTEX CORP	(06/10/88)	NY-CTX	6	15061	24.60	0.25	SEP 2.09	29.00	7.9	-0.9	13.9	0.9	17.9	8.5	436.8
C CHAMPION ENTERPRS	(10/10/86)	AS-CHB	12	7223	6.35	0.00	AUG 0.84	4.00	10.3	6.7	4.8	0.0	-37.0	13.2	28.9
D CHRISTIANA COS		NY-CST	7	5700	5.11	0.00	SEP -0.48	6.13	8.9	-2.0	0.0	0.0	19.9	-9.4	34.9
B CLAYTON HOMES	(10/10/86)	NY-CHM	12	15728	4.74	0.00	DEC 0.91 U	8.00	1.6	-5.9	8.8	0.0	68.8	19.2	125.8
* LP-COMWLTN MGT AM-A	(11/21/86)	NY-CMA	9	35000	0.39	1.10	SEP -1.31	2.75X	10.0	37.5	0.0	40.0	605.1	-335.9	96.3
C COMMONWLTN MGT CO	(10/24/86)	OC-CHMC	9	5865	4.22	0.00	OCT 0.77	3.13	-10.7	8.7	4.1	0.0	-25.9	18.2	18.3
B CONGRESS ST PROPS		OC-CSTP	10	1175	12.21	0.00	AUG -0.34	6.38	-1.9	0.0	0.0	0.0	-47.8	-2.8	7.5
* F-CONSOL CAP INCOME		OC-CCIS	L	11362	12.98	0.00	SEP -1.61	5.00	-2.4	11.1	0.0	0.0	-61.5	-12.4	56.8
* CONSOL CAP RLT#	(02/13/87)	OC-CCFLS	L	5966	4.25	0.00	AUG -0.08	1.13	12.5	0.0	0.0	0.0	-73.5	-1.9	6.7
* F-CONSOL CAP SPECI		OC-CCST	L	11486	9.76	0.00	SEP -1.03	3.75	-25.0	-11.8	0.0	0.0	-61.6	-10.6	43.1
* CONSOLIDATED COS-A	(12/24/87)	AS-CCD	11	11792	-2.33	0.00	SEP -5.20	0.06	-49.6	0.0	0.0	0.0	0.0	0.0	0.7
C CONTL RMS HOLDING	(05/22/87)	OC-COHM	7	3533	6.91	0.00	NOV 0.60	4.00	6.7	6.7	6.7	0.0	-42.1	8.7	14.1
B COUNTRYWIDE CRDIT	(09/09/88)	NY-CGR	9	16671	6.24	0.32	NOV 0.84	6.88X	23.6	7.8	8.2	4.7	10.2	13.5	114.6
D COVINGTON DEVLPMT		OC-COVT	7	13902	0.27	0.00	SEP -0.15	0.53	-15.0	6.2	0.0	0.0	96.7	-55.6	7.4
B LP-CRI INS MTG INV		NY-CRM	9	9100	12.19	1.78	SEP 3.46	12.50X	-5.4	-2.9	3.6	14.2	2.5	28.4	113.8
D DELTONA CORP		NY-DLT	7	5574	4.66	0.00	SEP 0.20	4.63	-5.1	-7.5	23.1	0.0	-0.8	4.3	25.8
* LP-EMERALD HOMES LP	(05/22/87)	NY-EHP	7	5225	6.30	1.36	SEP 2.39	8.88X	2.4	4.4	3.7	15.3	40.9	37.9	46.4
B LP-EQK GRN ACRES LP#	(01/27/89)	NY-EQA	8	10173	8.32\$	1.22	SEP 1.21 U	12.63	-2.9	0.0	10.4	9.7	51.7	14.5	128.4
* LP-EQUITABLE RE SC #	(01/13/89)	NY-EQM	8	10700	8.37	1.04	SEP 1.03 D	9.25X	4.2	4.2	9.0	11.2	10.5	12.3	99.0
C EQUITEC FINCL GP	(09/11/87)	NY-EFG	11	4952	2.80	0.00	SEP -5.18	2.75	0.0	4.8	0.0	0.0	-1.8	-185.0	13.6
C FAIRFIELD COMM	(06/10/88)	NY-FCI	7	10851	9.57	0.00	SEP 0.13	6.25	6.4	2.0	48.1	0.0	-34.7	1.4	67.8
C FARRAGUT MTG CO	(12/19/86)	OC-FARR	9	5150	0.41	0.00	SEP -0.21	0.63	25.0	11.0	0.0	0.0	52.4	-51.2	3.2
B FED NATL MTG	(05/13/88)	NY-FNM	9	78623	24.89	0.96 S	DEC 6.43 D	58.63X	18.3	15.5	9.1	1.6	135.5	25.8	4609.3
C LP-FINE RMS INTRNTNL	(01/13/89)	NY-FRI	11	7785	6.32	2.25	DEC 1.25 U	14.38X	-0.4	0.0	11.5	15.7	127.5	19.8	111.9
B FIRST CAROLINA		OC-FCAR	10	714	31.44	0.50	SEP 1.49	29.50	0.0	0.0	19.8	1.7	-6.2	4.7	21.1
A FLEETWOOD ENTER	(10/10/86)	NY-FLE	12	22902	16.47	0.64	OCT 2.75	28.50X	15.8	13.4	10.4	2.2	73.0	16.7	652.7
B FOREST CITY-A#	(06/10/88)	AS-FCE.A	8	4058	26.08	0.38	OCT 3.17 U	41.00X	1.1	2.2	12.9	0.9	57.2	12.2	166.4
B FOREST CITY-B#	(06/10/88)	AS-FCE.B	8	3890	26.08	0.32	OCT 3.17 U	41.00X	-1.1	-0.9	12.9	0.8	57.2	12.2	159.5
C LP-FORUM RET FFD UN#	(12/09/88)	AS-FRL	8	6049	9.62\$	1.35 S	JUN 0.40	5.88X	-8.0	-4.1	14.7	23.0	-38.9	4.2	35.5
C FPA CORP		AS-FPO	7	4011	9.36	0.00	SEP -3.04	3.88	-16.2	0.0	0.0	0.0	-58.6	-32.5	15.5
C GENERAL DEVLPMT	(06/10/88)	NY-GDV	6	8651	23.45	0.00	SEP 3.63	14.88	19.0	17.8	4.1	0.0	-36.6	15.5	128.7
D GENERAL HOMES	(04/10/87)	NY-GHO	6	15009	0.43	0.00	SEP -8.69 D	0.50	-20.0	0.0	0.0	0.0	16.3	NC	7.5
A LP-GOULD INVSTRS LP#	(01/09/87)	AS-GLP	8	1087	20.71	0.00	SEP 2.26 D	50.25	2.6	2.6	22.2	0.0	142.6	10.9	54.6
C GRUBB & ELLIS	(06/10/88)	NY-GBE	11	15922	5.03	0.00	SEP -0.14	4.00	0.0	0.0	0.0	0.0	-20.5	-2.8	63.7
B HALLWOOD GROUP	(02/13/87)	NY-HWG	10	4656	19.52	1.12	OCT 2.30	15.38X	-0.6	1.7	6.7	7.3	-21.2	11.8	71.6
C HAMMOND CO		OC-HCO	9	2066	5.66	0.10	SEP 0.36	3.25	-13.3	8.3	9.0	3.1	-42.6	6.4	6.7
B HOVNANIAN ENTR	(06/10/88)	AS-HOV	7	20937	4.81	0.00	AUG 1.21	9.00	18.0	35.8	7.4	0.0	87.1	25.2	188.4
C INDIANA FINCL INV		OC-IFI	8	966	11.95	0.00	SEP 0.20	5.50	-6.4	-6.4	27.5	0.0	-54.0	1.7	5.3
C INTEGRATED RESC	(05/13/88)	NY-IRE	11	7528	19.09	0.00	SEP 2.07	13.00	-3.7	-6.3	6.3	0.0	-31.9	10.8	97.9
B LP-INTERSTATE GEN CO	(01/13/89)	AS-IGC	8	9900	3.14	0.60	SEP 1.29	7.38	15.7	13.5	5.7	8.1	134.9	41.1	73.0
* INTL AMER HOMES		OC-HOME	7	7947	3.85	0.00	SEP 0.49	1.63	8.3	8.3	3.3	0.0	-57.8	12.7	12.9
* J M PETERS CO INC	(11/06/87)	AS-JMP	7	13783	6.31	0.00	NOV 2.85	9.63	10.0	11.6	3.4	0.0	52.5	45.2</	



January 27, 1989

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM DEC 21 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$			
C	LANDMARK LAND	(11/18/88)	AS-LML	10	7976	4.06	0.40	SEP	-2.58	19.75	0.6	-1.9	0.0	2.0	386.5	-63.5	157.5
C	LEISURE+TECH	(06/10/88)	NY-LVX	7	5408	5.51	0.00	SEP	0.47	3.75	-11.8	-3.2	8.0	0.0	-31.9	8.5	20.3
A	LENNAR CORP	(06/10/88)	NY-LEN	6	6601	21.88	0.24	NOV	2.78 U	19.50	9.1	10.6	7.0	1.2	-10.9	12.7	128.7
*	LOAN AMER FINCL-B		OC-LAFCB	9	1988	7.47	0.00	SEP	0.68	4.75	-7.3	0.0	7.0	0.0	-36.4	9.1	9.4
B	LOMAS FINANCIAL	(05/13/88)	NY-LFC	9	29970	8.42	1.40	SEP	-1.52	12.50	1.0	-1.0	0.0	11.2	48.5	-18.1	374.6
C	M/I SCHOENSTIN HNS	(10/24/86)	OC-MIHO	7	6165	2.76	0.00	SEP	0.74	5.25	5.0	0.0	7.1	0.0	90.2	26.8	32.4
C	MAJOR REALTY	(11/18/88)	OC-MAJR	7	7320	3.50\$	0.00	SEP	-0.58	11.00	7.3	7.3	0.0	0.0	214.3	-16.6	80.5
*	MAY DEPT STORES	(02/26/88)	NY-MA	10	149210	18.96	1.28	OCT	3.26	36.88	2.8	1.7	11.3	3.5	94.5	17.2	5502.1
*	MCA INC	(02/26/88)	NY-MCA	10	73017	22.25	0.68	SEP	1.52	48.88	7.1	7.7	32.2	1.4	119.7	6.8	3568.7
C	MDC HOLDINGS	(11/18/88)	NY-MDC	6	17394	11.57	0.00	SEP	-0.55	2.88	4.5	4.5	0.0	0.0	-75.2	-4.8	50.0
B	MISSION WEST PR		AS-MSW	7	1499	12.62	0.36	NOV	1.06 D	9.38	-2.6	-2.6	8.8	3.8	-25.7	8.4	14.1
*	MONT RL EST INV	(05/13/88)	NY-MYM	L	10639	9.26\$	0.72	NOV	0.55	8.00X	-0.8	-3.0	14.5	9.0	-13.6	5.9	85.1
C	NATIONAL ENTERPRS	(10/10/86)	NY-NEL	12	7138	1.90	0.00	SEP	-0.90	1.13	0.0	0.0	0.0	0.0	-40.8	-47.4	8.0
C	LP-NATIONAL REALTY	(01/13/89)	AS-NLP	8	8979	2.40	1.60	SEP	-1.45	8.13X	-24.2	-23.5	0.0	19.7	238.5	-60.4	73.0
A	LP-NEWMALL LAND	(01/13/89)	NY-NHL	10	19769	7.88\$	1.20	SEP	2.99	53.75	0.0	-5.1	18.0	2.2	582.1	37.9	1062.6
B	LP-NVRIAN L.P.	(11/18/88)	AS-NVR	6	25005	4.03	0.68	SEP	1.18	6.75	12.5	14.9	5.7	10.1	67.5	29.3	168.8
A	OAKWOOD HOMES	(11/07/86)	NY-OH	12	5202	9.55	0.08	SEP	0.08	7.13	5.6	3.6	89.1	1.1	-25.4	0.8	37.1
C	ORIGLE HOMES-A	(04/10/87)	AS-OHC.A	7	1936	12.55	0.70	DEC	2.61 U	10.38X	6.3	2.5	4.0	6.7	-17.3	20.8	20.1
C	ORIGLE HOMES-B	(04/10/87)	AS-OHC.B	7	1913	12.55	0.77	DEC	2.61 U	10.63X	10.4	7.6	4.1	7.2	-15.3	20.8	20.3
C	PAGESETTER HOMES		OC-PAGE	7	1465	8.84	0.00	MAR	1.24	3.50	-12.5	-22.2	2.8	0.0	-60.4	14.0	5.1
C	PARKWAY COMPANY		OC-PKWY	10	1593	26.19	0.80	SEP	0.79	16.00	0.0	0.0	20.3	5.0	-38.9	3.0	25.5
*	PATTEN CORP	(01/09/87)	NY-PAT	7	16997	5.08	0.12	SEP	0.86	3.63	0.0	-3.3	4.2	3.3	-28.6	16.9	61.6
B	PERINT INV PR#	(11/18/88)	AS-PNV	8	3910	-1.45\$	0.60	SEP	0.71 U	16.00	-5.9	-2.3	22.5	3.8	0.0	0.0	62.6
C	PHM CORP	(11/18/88)	NY-PHM	6	24760	9.34	0.12	SEP	0.07	11.13	4.7	0.0	158.9	1.1	19.1	0.7	275.5
*	LP-PRIME MTR INNS LP	(02/27/87)	NY-PMP	8	4000	16.68	2.00	SEP	0.15	16.50X	0.7	3.1	110.0	12.1	-1.1	0.9	66.0
*	PROPERTY CAPITAL	(08/26/88)	AS-PCT	L	9927	14.13	2.38	OCT	1.97	21.00X	3.3	1.2	10.7	11.3	48.6	13.9	208.5
D	PUNTA GORDA		AS-PGA	7	2905	-1.67	0.00	SEP	-0.63	2.13	-5.6	-19.0	0.0	0.0	0.0	0.0	6.2
E	VJ-RADICE CORP	(07/24/87)	NY-RI	7	5811	1.63	0.00	9/7	-3.87	0.63	25.0	42.7	0.0	0.0	-51.7	-237.4	3.6
C	READING CO	(11/25/88)	OC-RDGC	8	4957	5.60	0.00	SEP	-2.71	12.25	8.9	4.3	0.0	0.0	118.8	-48.4	60.7
*	LP-RED LIONS INNS	(01/13/89)	AS-RED	8	4574	17.49	2.05	S SEP	1.51	15.63X	8.5	5.9	10.3	13.1	-10.7	8.6	71.5
*	LP-RETIREMENT LIV MTG		OC-RLVZ	9	1264	22.74	2.16	SEP	2.02 D	16.00	-3.0	-3.0	7.9	13.5	-29.6	8.9	20.2
*	RIDGEWOOD PROPS		OC-RWPI	8	740	45.91	0.00	AUG	4.34	33.50	0.0	-5.6	7.7	0.0	-27.0	9.5	24.8
C	ROCKWOOD NAIL		PS-RNC	7	9785	2.66	0.00	SEP	-0.17	1.63	0.0	0.0	0.0	0.0	-38.9	-6.4	15.9
A	ROUSE CO#	(06/10/88)	OC-ROUS	8	47805	5.55\$	0.52	SEP	0.79 U	25.50	6.3	4.1	32.3	2.0	359.5	14.2	1219.0
A	RYLAND GROUP	(11/18/88)	NY-RYL	6	12746	11.54	0.60	SEP	2.68	19.88X	3.4	-3.6	7.4	3.0	72.2	23.2	253.3
*	SANTA FE SO PAC	(07/10/87)	NY-SFX	10	157023	6.18	0.10	SEP	0.22	19.25	15.8	11.6	87.5	0.5	211.5	3.6	3022.7
*	LP-SHOPCO LAUREL CTR#	(01/13/89)	AS-LSC	8	4660	8.57	1.08	SEP	0.77 D	9.88X	4.1	2.6	12.8	10.9	15.2	9.0	46.0
B	SKYLINE CORP	(10/10/86)	NY-SKY	12	11217	13.09	0.48	NOV	1.30	16.75	14.5	8.1	12.9	2.9	28.0	9.9	187.9
D	SOUTHLAND FINCL	(05/27/88)	OC-SFIN	8	16773	3.40	0.00	SEP	-2.36 U	1.50	100.0	100.0	0.0	0.0	-55.9	-69.4	25.2
D	SOUTHWEST CORP	(12/23/88)	NY-SM	10	45277	5.99	0.00	SEP	-3.90	2.00	14.3	23.1	0.0	0.0	-66.6	-65.1	90.6
D	LP-SOUTHWEST RLTY#	(12/09/88)	AS-SWL	8	3442	5.84\$	0.00	SEP	0.17	0.75	0.0	-7.7	4.4	0.0	-87.2	2.9	2.6
C	STARRETT HOUSING		AS-SHO	7	6428	4.53	0.00	SEP	0.48	7.88	31.3	31.3	16.4	0.0	73.8	10.6	50.6
A	LP-STD PACIFIC L.P.	(11/18/88)	NY-SPF	6	27028	6.45	1.20	DEC	2.75 U	14.50	26.1	20.8	5.3	8.3	124.8	42.6	391.9
C	TIERGO GP INC		OC-TIER	8	2126	6.38	0.00	SEP	-1.44	4.25	-10.5	-10.5	0.0	0.0	-33.4	-22.6	9.0
C	TOLL BROS		NY-TOL	6	30041	2.21	0.00	OCT	0.80	4.88	2.6	2.6	6.1	0.0	120.6	36.2	146.4
B	LP-UDC-UNIVRSL DEV	(11/18/88)	NY-UDC	7	9346	7.62	2.40	SEP	3.50	20.00	6.0	6.7	5.7	12.0	162.5	45.9	186.9
B	UNICORP AMER	(07/10/87)	AS-UAC	10	17300	8.46	0.30	SEP	-0.36	5.50	-2.2	-4.3	0.0	5.5	-35.0	-4.3	95.2
C	UNION VALLEY CORP	(09/26/86)	AS-UVC	7	4759	4.98	0.00	SEP	0.44	8.38	26.4	9.8	19.0	0.0	68.2	8.8	39.9
C	US HOME CORP	(04/10/87)	NY-UH	6	39901	4.49	0.00	SEP	-1.07	2.00	-5.9	-5.9	0.0	0.0	-55.5	-23.8	79.8
*	LP-US REALTY PTRNS#	(09/26/86)	OC-USRLZ	8	1222	16.51	2.04	SEP	0.60 D	7.50	0.0	0.0	12.5	27.2	-54.6	3.6	9.2
*	US SHELTER CORP		OC-USSSE	11	9527	-0.72	0.00	SEP	-3.01	0.38	-50.0	0.0	0.0	0.0	0.0	0.0	3.6
*	LP-VMS MORTGAGE INV		OC-VMLPZ	9	7629	9.10	1.08	SEP	1.20	7.75X	6.9	5.1	6.5	13.9	-14.8	13.2	59.1
C	WASHINGTON CORP		PH-WGC.X	7	1869	4.72	0.13	SEP	1.04	6.75	0.0	1.9	6.5	1.9	43.0	22.0	12.6
C	WEBB (DEL) CORP		NY-WBB	10	9229	8.58	0.00	SEP	-1.88	14.25	5.6	-7.3	0.0	0.0	66.1	-21.9	131.5
*	LP-WINTHROP INS MTG		AS-WMI	9	3868	12.60	1.28	S SEP	1.67	12.13X	2.6	1.0	7.3	10.6	-3.8	13.3	46.9
B	WRITER CORP	(04/10/87)	OC-WRTC	7	4118	2.55	0.00	SEP	-5.16	0.63	25.0	0.0	0.0	0.0	-75.5	-202.4	2.6

## COMPARATIVE REALTY STOCK GROUP AVERAGE 01/25/89

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM DEC 21	JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL (000)
1 PROPERTY REITS	44	4	48	7821	11.24	1.01	1.16	13.80	2.8	1.0	11.9	7.3	22.8	10.3	5626.2
2 LEASEBACK REITS	13	0	13	6617	14.30	1.59	1.70	13.05	2.9	0.9	7.7	12.2	-8.7	11.9	1285.4
3 PROP & MTG COMB REITS	14	1	15	5245	10.93	1.22	1.06	10.75	2.1	-0.8	10.1	11.4	-1.7	9.7	855.3
4 MORTGAGE REITS	21	2	23	8144	12.12	1.31	1.09	9.21	-3.5	-4.3	8.4	14.3	-24.0	9.0	1669.3
5 PARTICIPATING MTG REITS	11	0	11	10200	11.20	1.04	0.57	10.08	3.3	2.9	17.7	10.3	-10.0	5.1	1287.3
REIT AVERAGE			110	7633	11.74	1.18	1.14	11.96	1.7	1.2	10.5	9.8	1.9	10.0	10723.6
6 MAJOR HOMEBUILDERS	7	5	12	20791	10.65	0.28	0.62	11.68	9.2	6.0	18.9	2.4	9.7	5.8	2456.3
7 OTHER BLDRS/DEVELOPERS	7	22	29	7384	5.82	0.20	0.37	6.15	5.5	4.4	16.7	3.3	5.5	6.3	1276.4
8 INCOME PROP BLDR/OWNR	18	9	27	8156	12.20	0.90	0.51	15.25	1.0	1.0	29.8	5.9	25.0	4.2	3525.2
9 MORTGAGE BANKER/FINANCE	11	3	14	14875	10.84	0.99	1.33	12.33	6.6	6.8	9.3	8.1	13.8	12.3	5651.3
10 DIVERSIFIED RLTY&HOLDING	12	5	17	35555	12.81	0.42	0.56	19.27	2.5	0.1	34.4	2.2	50.4	4.4	15797.5
11 RLTY SVCS/SYNDICATORS	1	6	7	8699	5.10	0.32	-1.66	5.76	-2.7	-1.8	0.0	5.6	13.0	-32.5	310.8
12 MANUFACTURED HOUSING	3	3	6	11568	8.68	0.20	0.83	10.92	11.8	7.6	13.2	1.8	25.7	9.6	1040.4
OTHER REALTY STOCKS AVERAGE			112	14525	9.67	0.26	0.48	11.93	3.9	3.3	25.0	4.4	23.3	5.4	30057.9
L LIQUIDATING COMPANIES	3	4	7	7960	11.86	1.10	0.12	9.00	-2.0	-0.6	NC	NC	-24.1	NC	481.3
OVERALL AVERAGE			229	11110	10.70	0.84	0.80	11.95	2.8	2.2	14.9	7.1	11.7	7.9	41262.8
DOW JONES INDUSTRIALS							181.04	2265.89	4.7	4.5	12.5	3.5			
STANDARD & POOR'S 500							22.73	289.14	4.2	4.1	12.7	3.6			
DOW JONES UTILITIES							16.49	190.49	3.2	2.3	11.6	7.9			